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THE CENTER LINE

MONTANA HIGHWAY COMMISSION

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During the next few weeks, you will undoubtedly read and hear much about highway legislation on financing and on the Interstate program. To help you understand our position, we would like to present the following facts.

One of the requirements of the 1916 Highway Act, in which are many of the regulations under which we still operate, is a provision that any state receiving federal aid must carry on a research program. Therefore, our department has many research programs under way, not only in the field of materials and engineering, but also in highway financing and traffic. An attempt is also made to visualize future needs.

We wish to point out too, that as an entity of the State of Montana, we are bound by the laws of our state, as set forth in our constitution, and as modified or created from time to time by our legislature. Inasmuch as we receive a great amount of federal aid, we are also operating under the federal laws as applied to highways, and as interpreted and handed down to us by the Bureau of Public Roads. At times, some of these are conflicting, and it is difficult to steer a course that will be within bounds of all regulations.

One of the subjects that our department has done considerable research on is highway financing, and how it affects the present and future road construction program. In 1956, when the 7¢ per gallon gas tax was in effect, this tax produced $17,250,000. and in 1957, $17,202,000. The final figures for 1958, when the tax was reduced to 6¢, are not in yet, but we estimate that we shall receive about $15 million. Add to this amount the $2,920,000. received from the GVW Tax, and the $1½ million received from Federal Oil Royalty, and we have the entire amount of state funds for highways -- $19½ million. Maintenance, administration and the purchase of new equipment must first be taken from this amount. It is estimated that this will be about $7 million. This leaves roughly $12½ million available to match federal aid.

We were allotted $40,702,960. in federal aid on July 1, 1958, and on July 1st of this year another $42,279,151 will become available. In order to make full use of these funds we should have had $16 million in state funds in 1958; and another $14 million in 1959 (less state funds due to the large amount of Interstate allotment).

It is true that we have not yet lost any federal aid, but each year we come closer to forfeiting some funds. By June 30, 1959 we shall be behind $3\frac{1}{2}$ million, and if that were to be matched with federal aid, it would amount to $14 million in construction contracts. Over a ten year period, Montana could lose $140 million in construction.

Research shows that we are having a difficult time right now in keeping abreast with the need for replacement on our highway system. Increases in speed and weight and numbers of vehicles have rendered many miles of roads obsolete. They need to be replaced as rapidly as we can. We, as your highway department, feel that we should get on with the job of providing you with just as many miles of good highway as we possibly can.

Congress, by their actions, have made this money available to Montana. It is collected and awaiting our actions to put it to work. If we do not, some other state will make use of it, and it is lost to us forever.

It is estimated that the 1¢ additional gas tax will amount to about $7.50, on the average, for the Montana motorist.

Highway construction is one of the major industries in this state and, in several localities, has meant much to the economy of that town or city. About 40% of the construction dollar goes into salaries for workmen. The balance goes for the purchase of materials and equipment.

The Highway Department has the personnel and equipment to keep up the accelerated road-building pace, and they are anxious to do the best job they know how for the State of Montana.

* * *

Two new improvements in highways have recently been opened to the public in the Great Falls area. The Interstate from Cascade to Ulm is now open for travel, as is the First Avenue North underpass.